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TAGS: PREL PTER PGOV MOPS KWBG IS
SUBJECT: DEPUTY DEFENSE MINISTER VILNAI COMMENTS ON
RELATIONS WITH THE PALESTINIANS, OUTPOSTS AND SETTLEMENTS,
AND PROTECTING THE HOMEFRONT

Classified By: Ambassador Richard H. Jones, Reason 1.4 (b) (d)

11. (C) Summary. During a September 3 meeting with the Ambassador, Deputy Defense Minister Matan Vilnai described his close working and personal relationship with Defense Minister Barak. Vilnai described his key areas of responsibility at MOD as improving the defense of the homefront; serving as the MOD representative on Haim Ramon's committee on outposts; conducting contacts with settler leaders in order to avoid violence over the evacuation of outposts; and overseeing IDF discussions with PA security services. Vilnai praised U.S. efforts to promote Israeli-Palestinian peace and made clear that the Embassy should regard him as a key MOD point of contact. Vilnai said he still supports the Oslo Agreement and withdrawal from Gaza, but expressed skepticism about the PA's capability to take on greater security responsibilities in the West Bank. Regarding the removal of IDF checkpoints and obstacles to movement, Vilnai said he wanted to strike a balance between the Palestinian need for greater freedom of movement and Israeli security. Vilnai described the completion of the separation barrier, especially around Jerusalem, as a precondition for eliminating checkpoints. End Summary.

Vilnai: Close to Barak, Responsible for Improving Homefront Security

12. (C) The Ambassador, accompanied by PolCouns, met for the first time September 3 with recently appointed Deputy Defense Minister Matan Vilnai, a retired major general who once headed the IDF's Southern Command and, before joining MOD, served as a Labor Party member on the Knesset's Foreign Affairs and Defense Committee. Vilnai described a personal and professional relationship with Ehud Barak dating to their kibbutz childhood. Their professional relationship began when Vilnai first served in the IDF, during a military career in which Vilnai became a general in the paratroopers and served under the command of Barak and Ariel Sharon. Vilnai made clear that Barak has empowered him to fully represent the MOD in any area of interest to him. Vilnai said the issue that is consuming most of his time since arriving at MOD is the effort to strengthen Israel's homefront defenses. Vilnai expressed interest in a briefing on various anti-rocket technologies, including the Sky Guard system and the latest anti-mortar radar systems.

Experience with the Palestinians "Big Disappointment"

13. (C) Vilnai said he had been involved in Israel's contacts with the Palestinians since Arafat's return in 1993. Vilnai called the overall experience "a big disappointment," recalling that from the very beginning Arafat had violated his understanding with Israel by trying to smuggle three terrorists into Gaza with him, one of them hidden in the

trunk of his Mercedes. Vilnai said that while many Israelis now felt that the efforts with the Palestinians had been a mistake from the beginning, he still believed there was a need for a political deal. Vilnai said that security arrangements with the PA were improving, but he expressed doubts about the new Palestinian government's security capabilities, noting that seven Qassam rockets had hit Israel from Gaza that morning.

14. (C) The Ambassador observed that the U.S. has been working with Prime Minister Fayyad for some time in various capacities and holds him in high regard. Fayyad is not a security expert, but he understands the importance of security for the Palestinians as well as for Israel. Vilnai said he had never met Fayyad but had heard that he is a "wonderful man." Vilnai added that he hoped Fayyad would survive since it was unclear how strong his position was with his own people. Vilnai agreed that he would see LTG Dayton shortly after Dayton's return from the U.S. and would discuss plans for reforming the Palestinian security services.

## Complete the Security Barrier First

15. (C) In response to the Ambassador's comments about improving the situation on the ground in the West Bank, including finding ways Israel can contribute to Palestinian economic development, Vilnai said the issue was how to promote Palestinian economic development while protecting Israel's security. In regard to the IDF's ongoing study of checkpoints and obstacles to movement in the West Bank, Vilnai observed that the "main problem" was to finish the separation barrier, which he estimated would take about one year. There had been many "issues" and delays, but the first

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phase of the barrier, including the areas around Jerusalem, was scheduled to be complete in August 2008. Vilnai said that once the first phase of the barrier was completed, it would be possible to "change the IDF's behavior" in the West Bank.

16. (C) Vilnai said he thought the Hamas takeover of Gaza may turn out to be a good thing since the Palestinian leadership was now afraid of Hamas and believed they had the same enemy as Israel. This situation had created new opportunities for cooperation. Vilnai said he thought U.S. efforts to promote progress toward Israeli-Palestinian peace were "in the right direction," adding that he would support the U.S. in any way that he could.

## Developing a "Grand Plan" on Outposts

17. (C) The Ambassador noted that U/S Burns had raised outposts and settlements with Barak, and that the Embassy had followed up with a non-paper on recently discovered outposts. Vilnai responded that the GOI was conducting a dialogue with the settler leadership, which was complicated by divisions within the GOI. Referring to Haim Ramon's revived committee on outposts, which met for the first time on September 2, Vilnai said the GOI was working on a "grand plan" to deal with outposts. Vilnai noted that he had been tasked by Barak with engaging the settler leaders in order to avoid violence as outposts are evacuated. Vilnai said, "We don't want another Amona." Vilnai commented that Barak saw the issue in terms of defending the rule of law, but also was aware of the importance the U.S. attached to the issue. Vilnai concluded that dealing with the outposts would take some time, but the GOI will deal with them.

## No Solution by Force Alone

18. (C) Turning to the amnesty for Palestinian wanted men, the Ambassador said he had been struck by Barak's comment to

the Secretary that these were tough, experienced men who should be reintegrated into the Palestinian security services. Vilnai, who professed to be unaware of details on the reintegration of fugitives into PA security forces, said he agreed they could make a contribution, but added that they were still terrorists and he had doubts about how they would behave when they came into contact with Israelis on the ground. Vilnai said the main lesson of the past decade was that it was impossible to solve the Israeli-Palestinian dispute by force. Sharon had finally come to understand that, as had Rabin before him. Israelis were educated to believe in the need to fight for Israel's survival, but public opinion had come around to the view that the IDF was not sufficient for dealing with the Palestinians, there had to be a political solution. Vilnai noted that a meeting last week with the Palestinian security services had been conducted at the IDF's local commanders, whom Vilnai termed "the most important echelon" for making cooperation work.

¶9. (C) Comment: Vilnai came across as supportive of U.S. policy even while expressing skepticism about the PA's readiness to handle security. Vilnai appeared not fully read-in, however, and perhaps not overly concerned with mastering the details of the issues. At several points in the conversation with the Ambassador, Vilnai instructed his staff to brief him or update him on issues. In addition to setting up an appointment with LTG Dayton on September 18, Vilnai said he would follow up on the implementing regulations for the new export control legislation.

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